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E.O. 12958: DECL: 2019/11/13
TAGS: [EFIN](#) [ETTC](#) [KNNP](#) [XF](#) [ZP](#) [ZR](#) [IR](#) [UK](#) [CA](#)
SUBJECT: Canadian Response to UK Decision to Ban the Provision of Insurance to IRSL

CLASSIFIED BY: ebenjaminson, econmc; REASON: 1.4(B)

¶1. (C) ECONOFF demarched Foreign Affairs and International Trade Canada (DFAIT) Iran Deputy Director Gallit Dobner regarding referenced cable. She expressed surprise that the UK was moving forward with this action given that it is one of a suite of actions the Like-Minded Countries have considered rolling out sometime early in 2010. She ensured us that the USG position in support of the UK's ban on British companies from trading with the Islamic Republic of Iran Shipping Lines (IRISL) would be elevated within DFAIT.

¶2. (C) Gallit explained that the Canadian Special Economic Measures Act (SEMA) is used to put economic sanction actions into effect. DFAIT intends to encompass as many of the other actions simultaneously as the process - only used twice before - is lengthy and fraught with multiple derailment points. SEMA authorizes the Cabinet to impose special economic measures against a state (freeze or seize assets, prohibitions, etc.) and required Parliament's approval. NOTE: There are other steps in the process that can be explained in more detail upon request.

¶3. (U) Also present was POLOff and Allan Prochazka, Senior Analyst International Financial Crimes, Finance Canada. Prochazka stated that the Canadian insurance industry is primarily involved in property and casualty as well as life insurance. He did not think there were any providers of Maritime insurance. He stated that this information will be shared with his director and elevated as necessary.

¶4. (U) We contacted the UK High Commission upon receipt of the demarche request to schedule a joint delivery, however the UK had already delivered their demarche prior to receipt of our demarche cable.

¶5. (C) COMMENT: There was no commitment to move forward on this issue in advance of the roll out of the other actions agreed upon by the Like Minded Countries. Canada is awaiting the results of the P5 negotiations before further consideration of other sanctions. The Canadians are very sensitive regarding sanctions as they have several ongoing consular cases in Iran involving citizens and dual citizens, making this issue very complex for them.

¶6. (U) If additional information is made available it will be forwarded.

